



200501140107

Skagit County Auditor

1/14/2005 Page 1 of 27 10:44AM

RETURN TO:

LAW OFFICE OF
BRADFORD E. FURLONG, P.S.
825 CLEVELAND AVENUE
MOUNT VERNON, WASHINGTON 98273
(360) 336-6508

Document Title: Covenants, Conditions & Restrictions
for the Cottage Lane Homeowners' Association

Reference number of documents assigned or released: 200112260184

Declarants: Donald M. Caldwell and Ann B. Caldwell, Husband and Wife

Grantee: General Public

Partial Legal Description: (Full legals on Exhibits)

ptn SW ¼, 14-34-1 E W.M.

Assessor's Parcel/Tax I.D. Numbers: 340114-3-003-0004 /P19421; 340114-3-004-0037/P19422; 340114-3-004-0102 /P19423; 340114-3-005-0002/P19424;
340114-3-005-0500/P115540; 340114-3-005-0300/P111926;
340114-3-005-0600 /P118405; 340114-3-005-0700/P119141;
340114-3-001-0006/P19411; 340114-3-005-0200/P19426;
340114-3-005-0400/P111924

**DECLARATION OF COVENANTS,
CONDITIONS & RESTRICTIONS
for the
COTTAGE LANE HOMEOWNERS' ASSOCIATION**

Donald M. Caldwell is the "Declarant" in that Declaration of Covenants, Conditions & Restrictions recorded under Skagit County Auditor's File No. 200112601 ("First CC&Rs"). Donald M. Caldwell, as owner of 100% of the property affected by the First CC&Rs, hereby amends the First CC&Rs and Restates them as herein provided. All provisions of the First CC&Rs are replaced by these "Cottage Lane CC&Rs."

Donald M. Caldwell and Ann B. Caldwell, Husband and Wife, ("Declarants"), are the owners in fee simple of real property located in Skagit County, Washington, and described by the legal description in Exhibit 1 to these Cottage Lane CC&Rs. This legal description includes approximately 73 acres (the "Property"). Portions of Declarants' Property may be eventually sold to third parties. All provisions of these Cottage Lane CC&Rs shall apply to and run with any portion of the property sold to such third parties in perpetuity.

All of the described Property and each part of the Property shall be held, sold, and conveyed subject to the following easements, covenants, conditions, and restrictions, as applicable, which constitute covenants running with the land and shall be binding on all parties having any right, title or interest in the described Property or any part of that Property, their heirs, successors, and assigns, and shall inure to the benefit of each owner of the Property.

**ARTICLE I
DEFINITIONS**

- Section 1: "Association" shall mean and refer to the Association of Owners of the Property, its successors and assigns and/or the Cottage Lane Homeowners' Association.
- Section 2: "Benefited Parcel" shall mean any Parcel that benefits from ingress, egress and utility placement over, under and across Cottage Lane, as described in Article II, Section 5.
- Section 3: "Declarants" shall mean Donald M. Caldwell and Ann B. Caldwell and their heirs or assigns which may in the future own the real property legally described in Exhibit 1 as Parcel "E." ("Parcel E")
- Section 4: "Maintenance" shall mean the exercise of reasonable care (including routine maintenance and reasonably required repairs) to keep Cottage Lane and its related improvements and fixtures, and the Water System, in



good condition and repair, adequate for safe, continuous and convenient ingress and egress and service.

Section 5: "Member" shall mean every person or entity that holds membership in the Association.

Section 6: "Mortgage" shall mean a conventional mortgage or a deed of trust.

Section 7: "Mortgagee" shall mean a holder of a conventional mortgage or a beneficiary under or holder of a deed of trust.

Section 8: "Owner" shall mean the record Owner, whether one or more persons or entities, of a fee simple title to any Parcel that is part of the Property, and shall include contract sellers, but shall not include those holding title merely as security for performance of an obligation.

Section 9: "Parcel" shall mean any individual plot of land within the limits referred to in Exhibit 1 hereto created by boundary line adjustment or subdivision.

Section 10: "Water Share Owner" shall mean the owner of a water system share. There shall be a total of six water system shares, all initially owned by Declarants; *provided*, that Declarants may, when approved by the Skagit County Health Department and the Washington Department of Ecology, increase the number of Water System Shares to a total of nine (9). Any system improvements required to increase the number shares shall be at the sole cost of Declarants.

Section 11: "Water System Share" shall mean the right to receive domestic water supply from the Water System in an amount not to exceed five hundred (500) gallons per day ("gpd") averaged on a weekly basis, and the duty to meet the obligations imposed herein. Water System Shares shall be conveyed by written, recorded instrument (including incorporation into a deed conveying a Parcel) and shall be assignable to succeeding Owners.

ARTICLE II MEMBERSHIP IN ASSOCIATION --VOTING RIGHTS

Section 1: The Declarants have caused to be formed the Cottage Lane Homeowners' Association which shall have the powers and duties of the Association as set forth herein.

Section 2: Every Owner of a Parcel shall be a Member of the Association; membership shall be appurtenant to and may not be separated from ownership of a Parcel; *provided*, that no Owner shall bear any obligations herein stated related to, nor have vote concerning the operation of, the

COTTAGE LANE CC&RS



200501140107

Skagit County Auditor

water system described in this article until such time as the Owner becomes a Water Share Owner.

Section 3: Members shall be all Owners, including the Declarants (as long as Declarants own one or more Parcels). The Owner(s) of one of the four Parcels benefited by Cottage Lane (Benefited Parcel) as set forth in Article II, Section 5, shall be collectively entitled to one vote for each Benefited Parcel owned for the Assessments related to the Maintenance of Cottage Lane. Each Water Share Owner (or the collective owners of a Water Share) is entitled to one vote for each Water System Share owned for the Assessments related to the Maintenance of the Water System. When more than one person holds an interest in a given Parcel or share, all such persons shall be Members and the vote for the Parcel or share shall be exercised as they may determine between or among themselves. In no event shall more than one vote be cast with respect to any Parcel or share owned by a Member.

Section 4: The Association owns and operates the Caldwell Group B Public water system ("Water System"). The Association has the obligation to maintain and repair the Water System and make assessments therefor. The Water System is defined to include the well, pump, electrical supply and equipment, pump house, supply lines up to water meters and any ancillary equipment necessary for the reliable functioning of the Water System. The Association shall own and maintain easement rights across and under any property reasonably necessary to install, maintain and operate the Water System. The Water System currently serves the property described in Exhibit 1 as Parcel "D" ("Parcel D") with a connection to a shop building. Any residence built on Parcel D shall be served from the same connection.

Section 5: The Association is also responsible for the Maintenance of Cottage Lane from Ginnett Road up to a point it crosses the north boundary of Parcel D. Cottage Lane provides ingress and egress to up to four Benefited Parcels, comprised of Parcels "A," "B," "C" and "D" in Exhibit 1. These parcels are not all currently recognized as four separate parcels by Skagit County. The right to further improve Cottage Lane at their own expense is reserved to Declarants.

ARTICLE III ASSESSMENTS

Section 1: Liens and personal obligation of assessments. Each Owner of a Parcel is deemed to covenant by acceptance of the Owner's deed for the Parcel, whether or not it shall be so expressed in the deed, to pay to the Association (1) annual assessments, and (2) special assessments for capital

COTTAGE LANE CC&RS



200501140107

Skagit County Auditor

1/14/2005 Page

4 of

27 10:44AM

improvements and/or enforcement of this Declaration; *provided*, that only Parcels, the owners of which also own a Water System Share, shall, for each Water System Share Owned, be subject to one-sixth of the total assessments related to the Water System and only the four Benefited Parcels, shall be subject to assessments related the Maintenance of Cottage Lane, each Owner thereof paying one-fourth of such assessments for each Benefited Parcel owned. Each Water Share Owner and each Owner of a Benefited Parcel shall pay (for each such share or parcel) one-tenth of any portion of an assessment not solely for Maintenance or improvement of either the Water System or Cottage Lane. All assessments will be established and collected as provided below in this instrument. The annual and special assessments, together with interest, costs, and reasonable attorney fees, shall be a charge on the land and a continuing lien on each Parcel against which such an assessment is made. Each such assessment, together with interest, costs, and reasonable attorney fees, shall also be the personal obligation of the person or persons who owned the Parcel at the time the assessment fell due, but such personal obligation shall not pass to the successors in title of that person or persons unless expressly assumed; *provided*, that such assessment lien shall continue to encumber the Parcel until fully paid.

Section 2: Purpose of annual assessments. The annual assessments levied by the Association shall be used exclusively for: (1) Maintenance and repair of the Water System, for capital improvements thereto, each as are necessary for the safe, continuous and convenient provision of domestic water supply to all Parcels and, as necessary, for enforcement of this Declaration ("Water System Assessment"); (2) the Maintenance and repairs to Cottage Lane so that Cottage Lane remains safe for the comfortable passage of two-wheel drive passenger vehicles throughout the year ("Cottage Lane Assessment"); (3) the general expenses required to operate, maintain and insure the Association.

Liability insurance may be purchased, insuring the Association against any and all liability to the public, to any Owner or Owners, or to the invitees or tenants of any Owner or Owners arising out of their occupation and/or use of Cottage Lane and the Water System. The policy limits shall be set by the Association, and shall be reviewed at least annually and increased or decreased in the discretion of the Association. The costs of such insurance shall be included in the Assessments.

Annual assessments shall also be used for any other materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments that the Association is required to secure or pay pursuant to the terms of this Declaration or by law, or which shall be necessary or proper in the opinion of the Members of the Association for

COTTAGE LANE CC&RS



200501140107
Skagit County Auditor

perpetuation of the Association, the improvement, operation and Maintenance of Water System, for the benefit of the Parcel Owners, or for the enforcement of these restrictions and for the repairs and maintenance of Cottage Lane. The Association shall have the power to sue and be sued concerning matters related to these Cottage lane CC&Rs.

- Section 3: Annual assessments. The Members of the Association shall fix the annual assessments by majority vote. The portion of annual assessments attributable solely to the Water System Assessments shall be voted upon only by Water Share Owners. The portion of the assessments solely attributable to the Cottage Lane shall be voted only by Owners of Benefited Parcels. The portion of assessments not solely related to Maintenance or improvement of either the Water System or Cottage lane, shall be voted upon by both Water Share Owners and the Owners of Benefited Parcels, one vote for each such share and each such parcel owned.
- Section 4: Special assessments for capital improvements or enforcement. In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of: (1) any necessary reconstruction, repair, or replacement of a capital improvement of Cottage Lane; and (2) any construction, reconstruction, repair, or replacement of a capital improvement in the Water System or enforcement of this Declaration; *provided*, that any such assessments must be approved by the appropriate Members as set forth in Article II, Section 3.
- Section 5: Written notice of any meeting called for the purpose of taking any action authorized by Sections 3 or 4 of this Article III shall be sent to all Members not less than fourteen (14) nor more than thirty (30) days in advance of the meeting.
- Section 6: Uniform rate of assessment. Both annual and special assessments must be fixed at a uniform rate for all Parcels subject thereto.
- Section 7: Commencement and collection of annual assessments. The annual assessments related to Cottage Lane provided for in this Declaration shall commence as to each Parcel upon sale thereof by Declarants or upon occupancy of a Parcel by Declarants. The first annual assessment shall be adjusted according to the number of months remaining in the applicable calendar year. The annual Water System Assessments shall start immediately upon recordation hereof and shall be one hundred dollars (\$100.00) until revised by the Members. The Members shall fix the amount of the annual assessment against each Parcel at least sixty (60) days in advance of the due date for the assessment and shall fix the dates



such amounts become due. Notice of the annual assessments shall be immediately thereafter sent via U.S. Mail to every Owner subject to the assessment, and shall be due and payable thirty (30) days after being so sent ("Due Date"). The Association, on demand and for a reasonable charge, shall furnish a certificate signed by an officer of the Association, setting forth whether the assessment against a specific Parcel has been paid.

Section 8: Effect of nonpayment of assessments; remedies of the Association. Any assessment not paid by the Due Date shall be deemed in default and shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the Owner or Owners personally obligated to pay such assessment, or may foreclose the lien against the Property in the manner provided by Washington law for the non-judicial foreclosure of deeds of trust. No Owner or Owners of a Parcel nor any Water Share Owner may waive or otherwise escape liability for the assessments provided for in this Declaration by nonuse or abandonment of his or her or their lot.

Section 9: Subordination of assessment lien to mortgages. The assessment lien provided for in this Declaration shall be subordinate to the lien of any first Mortgage. A sale or transfer of any Parcel shall not affect the assessment lien. However, the sale or transfer of any Parcel pursuant to a Mortgage foreclosure or any proceeding in lieu of such foreclosure shall extinguish the assessment lien as to payments that become due prior to the sale or transfer. No sale or transfer shall relieve the successor Parcel Owner and the Parcel or Water Share Owner from liability for any over due assessments or assessments thereafter becoming due or from the lien of the assessments.

ARTICLE IV WATER SYSTEM

Section 1: Cost of Maintenance of Water System. The Owner of Water System Share shall equally share the Maintenance and operational costs of the well and Water System herein described and/or the cost of enforcing this Declaration. The expense of water quality sampling as required by the state of Washington and Skagit County shall be shared equally by all Members of the Association. The Association shall establish and maintain a reserve account at a mutually agreed upon banking institution. Each party shall be entitled to receive an annual statement from said banking institution regarding the status of the reserve account. The monetary funds in the reserve account shall be utilized for the sole purpose of submitting water samples for quality analysis and maintaining, repairing or replacing the well and common waterworks equipment or appurtenance thereto.



The cost to extend the Water System to any Parcel shall be borne by the Owner of such Parcel.

Section 2: Easements for Well Site, Pump House, Utility Lines, Water Lines and Access. There is hereby created and imposed a permanent easement running with the land for the purpose of maintaining or repairing the well, pump house and appurtenances thereto, within 30 feet of the well site in any direction as legally described in Exhibit 2 and depicted in Exhibit 3 hereto. Said easement shall allow the installation, repair and maintenance of well house, pumps, water storage reservoirs, pressure tanks, and anything necessary to the operation of the Water System. There is also hereby created a permanent easement running with the land for all utility lines to the well and pump house and for all water lines from the well and pump house to adjoining properties ("Utility Line" and "Water Line[s]" respectively). Such easement shall run five (5) feet to each side from the centerline of any Utility or Water Line as legally described in Exhibit 4 and as depicted in Exhibit 3 hereto ("Utility Easement"); provided, that should any Utility or Water Line not lie on the centerline of the legally described easement, the legal description of the easement shall be adjusted to run "five (5) feet to either side of the Utility or Water Line, as built." The Utility Easement shall provide all owners with ingress and egress over all Utility and Water Lines depicted on Exhibit 3 and any common roads for the purpose of repair or Maintenance of the Water System. There is hereby created a permanent easement to run with the land for ingress and egress for purposes of maintaining, repairing and improving the Pump House, as legally described in Exhibit 5 and as depicted in Exhibit 3. Declarants may record additional easements for the Water System as are necessary and convenient; such easements shall be considered subject to this Declaration if reference hereto is made therein.

Section 3: Maintenance and Repair of Water Lines and Pipelines. All Water Lines and pipelines in the Water System shall be maintained so that there will be no leakage or seepage, or other defects which may cause contamination of the water, or injury, or damage to persons or property. Pipe material used in repairs shall meet the approval of the Health Officer. Cost of repairing or maintaining Water Lines shall be born equally by all Water Share Owners based on the number of Water System connections utilized.

Section 4: Prohibited Practices. The Owners, their heirs, successors and/or assigns, will not construct, maintain or suffer to be constructed or maintained upon the said land and within 100 feet of the well herein described, so long as the same is operated to furnish water for public consumption, any of the following: septic tanks and drain fields, sewer lines, underground storage tanks, county or state roads, railroad tracks, vehicles, structures, barns, feeding stations, grazing animals, enclosures for maintaining fowl or

COTTAGE LANE CC&RS



200501140107
Skagit County Auditor

animal manure, liquid or dry chemical storage, herbicides, insecticides, hazardous waste or garbage of any kind. No Owner shall cross connect any portion or segment of the Water System with any other water source without prior written approval of the County Department of Public Health and/or other appropriate governmental agency.

Section 5: Water System Purveyor. Donald M. Caldwell is designated "Purveyor" of the Water System. The Purveyor shall be responsible for arranging submission of all necessary water samples as required in the Washington Administrative Code, and County Rules and Regulations and handling emergencies such as system shutdown and repair. The Purveyor shall provide his/her name, address and telephone number to the Health Officer and shall serve as a contact person to the Health Officer. The Purveyor shall organize and maintain the Water System records and notify the Health Officer and all parties, service connections and lots that are included in this agreement, of the water quality tests that are required by WAC 246-291 and Skagit County Rules and Regulations. Water System records shall be available for review and inspection by all parties in this agreement and the Health Officer.

Section 6: Provisions for Continuation of Water Service. The Association shall maintain a continuous flow of water from the well and Water System, herein described in accordance with public water supply requirements of the State of Washington and Skagit County. In the event that the quality or quantity of water from the well becomes unsatisfactory as determined by the Health Officer, the parties shall develop a new source of water. Prior to development of, or connection to a new source of water, the Water Share Owners shall obtain written approval from the Health Officer. Each Water Share Owner, based on the number of Water Shares owned, shall share equally in the cost of developing the new source of water and installing the necessary equipment associated with the new source.

Section 7: Restriction on Furnishing Water to Additional Parties. No Owner nor the Association shall furnish water from the well and Water System herein above described to any other persons, properties or dwelling out side of the designated service area (Exhibit 1) without written approval from the Skagit County Department of Public Health.

Section 8: Water Use Limitations. Water System water shall be used for single-family residential purposes only and not for any commercial purposes whatsoever, including the growing of crops or animals for sale or trade. No Water Share Owner shall utilize more than 500 gpd averaged over a one week period per share owned. If any Water Share Owner uses more water than 500 gpd averaged over a one-week period per share owned, such owner shall be subject to a one hundred dollar (\$100.00) Assessment

COTTAGE LANE CC&RS



200501140107

Skagit County Auditor

1/14/2005 Page

9 of

27 10:44AM

for each such occurrence. Should any Water Share Owner use more than 800 gpd averaged over a one week period per share owned, the Association may take action to physically restrict the flow of water to such owner to 500 gpd averaged over a one week period per share owned and charge the cost thereof to the offending owner as an assessment.

Section 9: No partition. There shall be no judicial partition of the Water System or common road nor shall Declarants, or any Owner or any other person acquiring any interest in the Property or any part of the Property, seek judicial partition of it.

**ARTICLE V
GENERAL RESTRICTIONS APPLIABLE TO ALL PARCELS**

- Section 1: None of the Property once not owned by Declarants shall be further subdivided by any means whatsoever, including by partition, and despite any changes in Skagit County zoning requirements.
- Section 2: All Parcels shall be Owner occupied and no part of the Property shall be used for any purpose other than for single-family residential purposes. No Owner shall rent any portion of the Property for storage or for any commercial or industrial use whatsoever.
- Section 3: No fireworks of any type or firearms of any type shall be discharged upon the Property, except that firearms may be discharged for target shooting undertaken in a reasonably safe manner and only within the hours of 8 a.m. to 4 p.m. on weekdays. There shall be no target shooting on weekdays outside of these hours, on weekends or on national holidays, whatever day of the week upon which such holidays may fall.
- Section 4: Animals and livestock shall be fenced to prevent intrusion onto the neighboring properties. Any damage caused to the Association's or an Owner's property by any livestock or pet shall be the responsibility of the animal's owner and the offending animal permanently removed from the Property. Any livestock or pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Property. In particular, the barking of any dog on a regular or intermittent basis in violation of Article V, Section 7 is deemed a nuisance and an unreasonable disturbance. Any livestock shall be kept for the sole consumption or use of the Parcel Owner upon which it is placed.
- Section 5: No all terrain vehicles, go-carts, dirt bikes or similar vehicles shall be operated anywhere on the Property.

COTTAGE LANE CC&RS



Section 6: Each Owner shall maintain a screened area for the temporary storage of refuse and trash and shall regularly dispose of refuse and trash by safe and sanitary means.

Section 7: Except for the temporary operation of machinery associated with the construction and maintenance of a single-family residence and landscaping associated therewith, no Owner shall allow any noise to be created on its Parcel which carries beyond the Parcel's boundaries.

Section 8: The Declarants and/or the Association may choose to provide a locked gate on Cottage Lane. The gate shall remain locked and/or unlocked at the discretion of the Declarants and/or Association. Each Owner shall reasonably cooperate in the operation of a locked gate to assure a balance between ease of entry for Owners and their guests and the provision of security for all Owners.

Section 9: No mobile homes or manufactured housing shall be placed upon the Property. All single-family residences and accessory structures shall be stick built. Each single-family residence shall contain at least two thousand five hundred (2,500) square feet of living space, including porches, decks and garages.

Section 10: No unregistered recreational vehicle shall be sited on the Property. No Owner shall allow the storage of more than two recreational vehicles. No recreational vehicle shall be occupied on any portion of the Property for more than two (2) weeks per thirty (30) day period. No parking or storage of any vehicle or machinery shall be permitted in Cottage Lane or within the easement in which it lies.

ARTICLE VI GENERAL PROVISIONS

Section 1: Enforcement. Declarants, the Association, or any Owner of a Parcel within the area specified in Exhibit 1 shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, easements, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration; Failure by Declarants, the Association, or by any Owner to enforce any covenant or restriction contained in this Declaration shall in no event be deemed a waiver of the right to do so at a later date. The prevailing party in any such proceeding shall receive its attorney fees and costs associated therewith. These Cottage lane CC&Rs are not enforceable by any person or entity not an Owner.



Section 2: Severability. Invalidation of any one of the covenants or restrictions contained in this Declaration by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 3: Amendments. The portions of this Declaration related to: (1) assessments and Association duties solely concerning the Water System may be amended by duly recording an instrument executed and acknowledged by not less than two thirds (2/3) of the Water Share Owners; (2) assessments and Association duties solely concerning Cottage Lane may be amended by duly recording an instrument executed and acknowledged by not less than 3/4 (three quarters) of the Owners of Benefited Parcels. The provisions of this Declaration not directly relating to either the Water Share Owner's duties and rights vis-à-vis the Water System or directly to the duties and rights of the Owners of Benefited Parcels vis-à-vis the Maintenance of Cottage Way, may be amended by duly recording an instrument executed and acknowledged by Declarants as long as Declarants are owners of at least one Parcel and thereafter by Owners of seventy five percent (75%) of the Water Share Owners and Owners of Benefited Parcels.

Section 4: Declarants' Right to Expand. The Declarants shall have the right to increase the number of Benefited Parcels by granting rights of ingress and egress, not otherwise granted herein, over and across Cottage Lane and/or any Parcel owned by Declarants for the benefit of any portion of the Property. In the event of any such addition(s), the burden of assessments for Maintenance of Cottage Lane and all rights and duties of the Owners of the pre-existing and new Benefited Parcels shall be reallocated to be equal among all such Owners.

Section 5: Subordination. No breach of any of the conditions contained in this Declaration or reentry by reason of the breach shall defeat or render invalid the lien of any Mortgage made in good faith and for value of any Parcel in the Association; provided, however, that such conditions shall be binding on any Owner whose title is acquired by foreclosure, trustee's sale, or otherwise.

Section 6: Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association or any Member for a period of thirty (30) years from the date of this Declaration, and thereafter shall continue automatically in effect for additional periods of thirty (30) years, unless otherwise agreed to pursuant to the provisions of Article VI, Section 3.



Section 7: Correspondence with Association. All correspondence with the Association should, unless subsequently modified, be in care of Donald and Ann Caldwell, P.O. Box 786, Anacortes, Washington 98221. Thirty (30) days should be allowed for receipt unless prior arrangements have been made.

Section 8: Annual meeting. The Association's annual meeting shall be held at noon on the third Saturday of January each year. Other meetings to transact the Association's business may be held on ten (10) day's notice. Business may be transacted and assessments determined as long as a minimum of fifty percent (50%) of those eligible to vote on particular matters are present. Participation by phone is acceptable.

Section 9: Governing law. This Declaration shall be governed by, construed, and enforced in accordance with the laws of the state of Washington.

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Executed at 27th Vernon, Washington on this 11th day of

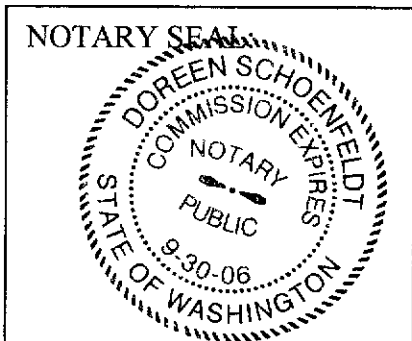
January 2005.

Ann B Caldwell
ANN B. CALDWELL, Declarant

STATE OF WASHINGTON)
) ss.
COUNTY OF Skagit)

I certify that I know or have satisfactory evidence that ANN B. CALDWELL is the individual who appeared before me and acknowledged that she signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.

Dated this 11th day of January 2005.



Doreen Schoenfeldt
Notary Public in and for the State of Washington
Residing at: Seabrook Way
My Commission Expires: 09/30/06
Printed Name: Doreen Schoenfeldt



200501140107
Skagit County Auditor

1/14/2005 Page 15 of 27 10:44AM

Exhibit 1

PARCEL "A":

The West 40 feet of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ in Section 14, Township 34 North, Range 1 East, W.M., records of Skagit County, Washington, EXCEPT any portion thereof lying within the County road known as Burrows Bay or Ginnett Road.

PARCEL "B":

The North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ in Section 14, Township 34 North, Range 1 East, W.M., records of Skagit County, Washington.

PARCEL "C":

The West 66 feet of the North $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ in Section 14, Township 34 North, Range 1 East, W.M., records of Skagit County, Washington.

PARCEL "D":

The South $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 1 East, W.M.

EXCEPT that portion lying Easterly of the following described line:

Beginning at the Southwest corner of said Southwest $\frac{1}{4}$ (Southwest section corner);
thence North $89^{\circ}48'31''$ East 1281.02 feet along the South line of said subdivision to the true point of beginning of said line;
thence North $6^{\circ}02'18''$ East 136.35 feet;
thence North $12^{\circ}47'31''$ West 260.07 feet;
thence North $77^{\circ}12'29''$ East 88.69 feet to the Easterly line of that certain parcel described on Boundary Line Adjustment Quit Claim Deed to Donald M. Caldwell recorded under Skagit County Auditor's File No. 9810230009;
thence North $6^{\circ}02'18''$ East 265.09 feet, more or less, along said Easterly line to the Northeast corner of said South $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the terminus of said line.

TOGETHER WITH a perpetual and non-exclusive easement for ingress, egress and utilities, over, across, upon and through the following described property:

The West 40.00 feet of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 1 East, W.M., and the West 60.00 feet of the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 1 East, W.M.



200501140107
Skagit County Auditor

1/14/2005 Page

16 of 27 10:44AM

Exhibit 1 (continued)

PARCEL "E":

That portion of the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and of the Southwest $\frac{1}{4}$ or the Southwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 1 East, W.M., described as follows:

Beginning at the Southeast corner of said Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ (South $\frac{1}{4}$ corner);
thence North $00^{\circ}41'43''$ West 738.52 feet along the East line thereof;
thence North $89^{\circ}26'35''$ West 1281.30 feet parallel with the North line of said Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ to the East line of the West 66.00 feet of said Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$;
thence South $00^{\circ}09'45''$ East 83.43 feet along said East line to the South line of the North $\frac{1}{2}$ of said Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$;
thence North $89^{\circ}49'08''$ West 66.00 feet along said South line to the Southwest corner thereof;
thence South $6^{\circ}02'18''$ West 265.09 feet;
thence South $77^{\circ}12'29''$ West 88.69 feet;
thence South $12^{\circ}47'31''$ East 260.07 feet, more or less, to the Easterly line of that certain parcel described on Boundary Line Adjustment Quit Claim Deed to Donald M. Caldwell, recorded under Skagit County Auditor's File No. 9810230009;
thence South $6^{\circ}02'18''$ West 136.35 feet, more or less, along said Easterly line to the South line of said Southwest $\frac{1}{4}$, at a point North $89^{\circ}48'31''$ East 1281.02 feet from the Southwest corner of said Section 14;
thence North $89^{\circ}48'31''$ East 1427.11 feet along said South line of the Southwest $\frac{1}{4}$ of Section 14, to the point of beginning.

TOGETHER WITH an easement for ingress, egress and utilities over, across and under a strip of land 60.00 feet in width in the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 1 East, W.M., Skagit County, Washington, lying 30.00 feet on each side of the following described center line:

Beginning at the Southwest corner of the Northwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 14;
thence North $00^{\circ}09'45''$ West along the West line of said Northwest $\frac{1}{4}$ a distance of 342.12 feet;
thence South $88^{\circ}40'52''$ East parallel with the North line of said Northwest $\frac{1}{4}$ a distance of 98.54 feet;
thence North $01^{\circ}45'38''$ East 330.00 feet to the North line of said Northwest $\frac{1}{4}$, said North line being also the center line of the county road;
thence South $88^{\circ}40'52''$ East along said North line and said center line, a distance of 408.45 feet to the beginning of a curve to the right, from which a radial line bears South $01^{\circ}19'08''$ West to the radius point;
thence Southeasterly along said curve to the right, being also along said center line, having a radius of 200.00 feet, through a central angle of $38^{\circ}29'19''$, an arc distance of 134.35 feet to the true point of beginning of said easement center line;



200501140107

Skagit County Auditor

Exhibit 1 (continued)

PARCEL "E" Continued:

thence South 22°40'39" West 264.16 feet;
thence South 55°03'04" West 273.07 feet;
thence South 35°44'14" West 233.22 feet;
thence South 08°59'04" West 227.43 feet;
thence South 21°30'46" East 133.03 feet;
thence South 75°41'16" East 204.00 feet;
thence South 38°16'05" East 269.28 feet;
thence South 55°16'05" East 56.50 feet;
thence South 77°47'49" East 197.15 feet;
thence North 83°27'28" East 124.92 feet;
thence North 06°32'32" West 320.00 feet to the terminus of said easement center line;

A perpetual non-exclusive easement and right of way for unrestricted ingress and egress and for public and/or private utilities, over, along, under and across a sixty foot (60') wide strip of land, the center line of said easement being described as follows:

Beginning at a point on the Westerly line of Lot 10, as shown on that certain Record of Survey map recorded August 5, 1976, under Skagit County Auditor's File No. 84303 in Volume 1 of Surveys, page 197, records of Skagit County, Washington, from which the Southwest corner of said Lot 10 bears South 0°17'40" East 314.62 feet;
thence South 75°41'16" East 19.23 feet to a point of curvature;
thence along said curve to the right, having a radius of 150.00 feet, through a central angle of 23°17'24", an arc distance of 60.97 feet to a point hereafter described as Point "A";
thence continue along said curve to the right having a radius of 150.00 feet, through a central angle of 52°23'33" an arc distance of 137.16 feet to a point of tangency;
thence South 00°00'20" East 87.57 feet;
thence South 11°13'35" East 121.66 feet;
thence South 13°41'06" West 116.06 feet;
thence South 29°20'01" West 107.14 feet;
thence South 25°51'00" West 218.66 feet;
thence South 34°45'18" West 152.60 feet;
thence South 20°13'04" West 17.61 feet, more or less, to the North line of that certain Boundary Line Adjustment parcel described on Quit Claim Deed to Donald M. Caldwell and recorded under Skagit County Auditor's File No. 9810230010 and being the terminus of said easement center line.

A 60.00 foot wide easement for utility purposes being 30.00 feet left and right of the following described center line;

Beginning at the aforementioned Point "A";



200501140107
Skagit County Auditor

Exhibit 1 (continued)

PARCEL "E" Continued:

thence South 37°36'08" West 60.00 feet on a line run radially to the center point of said 150.00 foot radius curve and being the terminus of said centerline.

Side lines of the above described 60 foot wide easements are to be lengthened or shortened as necessary to conform with deeded boundary lines.

PARCEL "F":

That portion of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 1 East, W.M., described as follows:

Beginning at the Southwest corner of the Northwest $\frac{1}{4}$ of said Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 14;
thence South 89°03'50" East along the North line of the West $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of said Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 14, a distance of 333.95 feet to the Northeast corner of said West $\frac{1}{2}$;
thence South 00°17'40" East along the East line of said West $\frac{1}{2}$, a distance of 355.41 feet to the true point of beginning;
thence North 76°28'01" East 473.90 feet;
thence South 38°42'10" East 555.29 feet to the South line of said Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 14;
thence North 89°26'34" West along said South line, a distance of 806.34 feet to the Southeast corner of said West $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 14;
thence North 00°17'40" West along the East line of said West $\frac{1}{2}$, a distance of 314.62 feet to the true point of beginning.

PARCEL "G":

All that portion of the Southwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 1 East, W.M., described as follows:

Beginning at the Southwest corner of Lot 10 as shown on Survey filed August 5, 1976 under Auditor's File No. 840303 at page 197 in Book 1 of Surveys, records of Skagit County, Washington;
thence South 89°26'34" East along the South line of said Lot 10 for 269.46 feet;
thence South 0°33'26" West for 161.66 feet;
thence North 89°26'34" West for 269.46 feet;
thence North 0°33'26" East for 161.66 feet to the point of beginning.



200501140107
Skagit County Auditor

Exhibit 1 (continued)

PARCEL "H":

The North ½ of the Southeast ¼ of the Southwest ¼ of Section 14, Township 34 North, Range 1 East, W.M.,

EXCEPT the West 66 feet of the North ½ thereof;

ALSO EXCEPT:

Beginning at the Southeast corner of Lot 9 as shown on Survey filed August 5, 1976, under Auditor's File No. 840303, at page 197 in Book 1 of Surveys, records of Skagit County, Washington; thence North 89°26'34" West along the South line of said Lot 9 for 269.46 feet; thence South 0°33'26" West for 161.66 feet; thence South 89°26'34" East for 269.46 feet; thence North 0°33'26" East for 161.66 feet to the point of beginning;

AND ALSO EXCEPT:

Beginning at the Southwest corner of Lot 10 as shown on Survey filed August 5, 1976, under Auditor's File No. 840303, at page 197 in Book 1 of Surveys, records of Skagit county, Washington; thence South 89°26'34" East along the South line of said Lot 10 for 269.46 feet; thence South 0°33'26" West for 161.66 feet; thence North 89°26'34" West for 269.46 feet; thence North 0°33'26" East for 161.66 feet to the point of beginning.

AND ALSO EXCEPT any portion thereof lying within the following described tract:

Beginning at the Southeast corner of said Southeast ¼ of the Southwest ¼ (South ¼ corner); thence North 00°41'43" West 738.52 feet along the East line thereof; thence North 89°26'35" West 1,281.31 feet parallel with the North line of said Southeast ¼ of the Southwest ¼ to the East line of the West 66.00 feet of said Southeast ¼ of the Southwest ¼ ; thence South 00°09'45" East 83.43 feet along said East line to the South line of said Southeast ¼ of the Southwest ¼ ; thence South 21°19'27" East 720.22 feet to the South line of said Southeast ¼ of the Southwest ¼; thence North 89°48'31" East 1,028.07 feet along said South line to the point of beginning.

SUBJECT TO AND TOGETHER WITH an easement for ingress, egress and utilities over, across and under a strip of land 60.00 feet in width in the North ½ of the Southwest ¼ of Section 14, Township 34 North, Range 1 East, W.M., Skagit County, Washington, lying 30.00 feet on each side of the following described center line:

Beginning at the Southwest corner of the Northwest ¼ of the Northeast ¼ of the Southwest ¼ of Section 14; thence North 00°09'45" West along the West line of said Northwest ¼ a distance of 342.12 feet; thence South 88°40'52" East parallel with the North line of said Northwest ¼ a distance of 98.54 feet;



200501140107

Skagit County Auditor

Exhibit 1 (continued)

PARCEL "H" (Continued):

thence North 01°45'38" East 330.00 feet to the North line of said Northwest ¼, said North line being also the center line of the county road;
thence South 88°40'52" East along said North line and said center line, a distance of 408.45 feet to the beginning of a curve to the right, from which a radial line bears South 01°19'08" West to the radius point;
thence Southeasterly along said curve to the right, being also along said center line, having a radius of 200.00 feet, through a central angle of 38°29'19", an arc distance of 134.35 feet to the true point of beginning of said easement center line;
thence South 22°40'39" West 264.16 feet;
thence South 55°03'04" West 273.07 feet;
thence South 35°44'14" West 233.22 feet;
thence South 08°59'04" West 227.43 feet;
thence South 21°30'46" East 133.03 feet;
thence South 75°41'16" East 204.00 feet;
thence South 38°16'05" East 269.28 feet;
thence South 55°16'05" East 56.50 feet;
thence South 77°47'49" East 197.15 feet;
thence North 83°27'28" East 124.92 feet;
thence North 06°32'32" West 320.00 feet to the terminus of said easement center line.

PARCEL "I":

An easement for ingress, egress and utilities over, across and under a strip of land 60.00 feet in width in the North ½ of the Southwest ¼ of Section 14, Township 34 North, Range 1 East, W.M., Skagit County, Washington, lying 30.00 feet on each side of the following described center line:

Beginning at the Southwest corner of the Northwest ¼ of the Northeast ¼ of the Southwest ¼ of said Section 14;
thence North 00°09'45" West along the West line of said Northwest ¼, a distance of 342.12 feet;
thence South 88°40'52" East parallel to the North line of said Northwest ¼, a distance of 98.54 feet;
thence North 01°45'38" East 330.00 feet to the North line of said Northwest ¼, said North line being also the center line of the county road;
thence South 88°40'52" East along said North line and said center line, a distance of 408.45 feet to the beginning of a curve to the right, from which a radial line bears South 01°19'08" West to the radius point;
thence Southeasterly along said curve to the right, being also along said center line, having a radius of 200.00 feet, through a central angle of 38°29'19", an arc distance of 134.35 feet to the true point of beginning of said easement center line;
thence South 22°40'39" West 264.16 feet;
thence South 55°03'04" West 273.07 feet;
thence South 35°44'14" West 233.22 feet;



200501140107

Skagit County Auditor

Exhibit 1 (end)

PARCEL "I" Continued:

thence South 08°59'04" West 227.43 feet;
thence South 21°30'46" East 133.03 feet;
thence South 75°41'16" East 204.00 feet;
thence South 38°16'05" East 269.28 feet;
thence South 55°16'05" East 56.50 feet;
thence South 77°47'49" East 197.15 feet;
thence North 83°27'28" East 124.92 feet;
thence North 06°32'32" West 320.00 feet to the terminus of said easement center line;

EXCEPT all that portions thereof lying within the herein described Parcel "F".

All Situate in the County of Skagit, State of Washington.



200501140107

Skagit County Auditor

Exhibit 2

Easement for Maintaining or Repairing Well and Pump House

A circular easement having a radius of 30.00 feet, measured from the center of an existing as-constructed well, in a portion of the South 1/2 of the Southwest 1/4 of the Southwest 1/4 of Section 14, Township 34 North, Range 1 East, W.M., the center point of said easement (existing well) being more particularly described as follows:

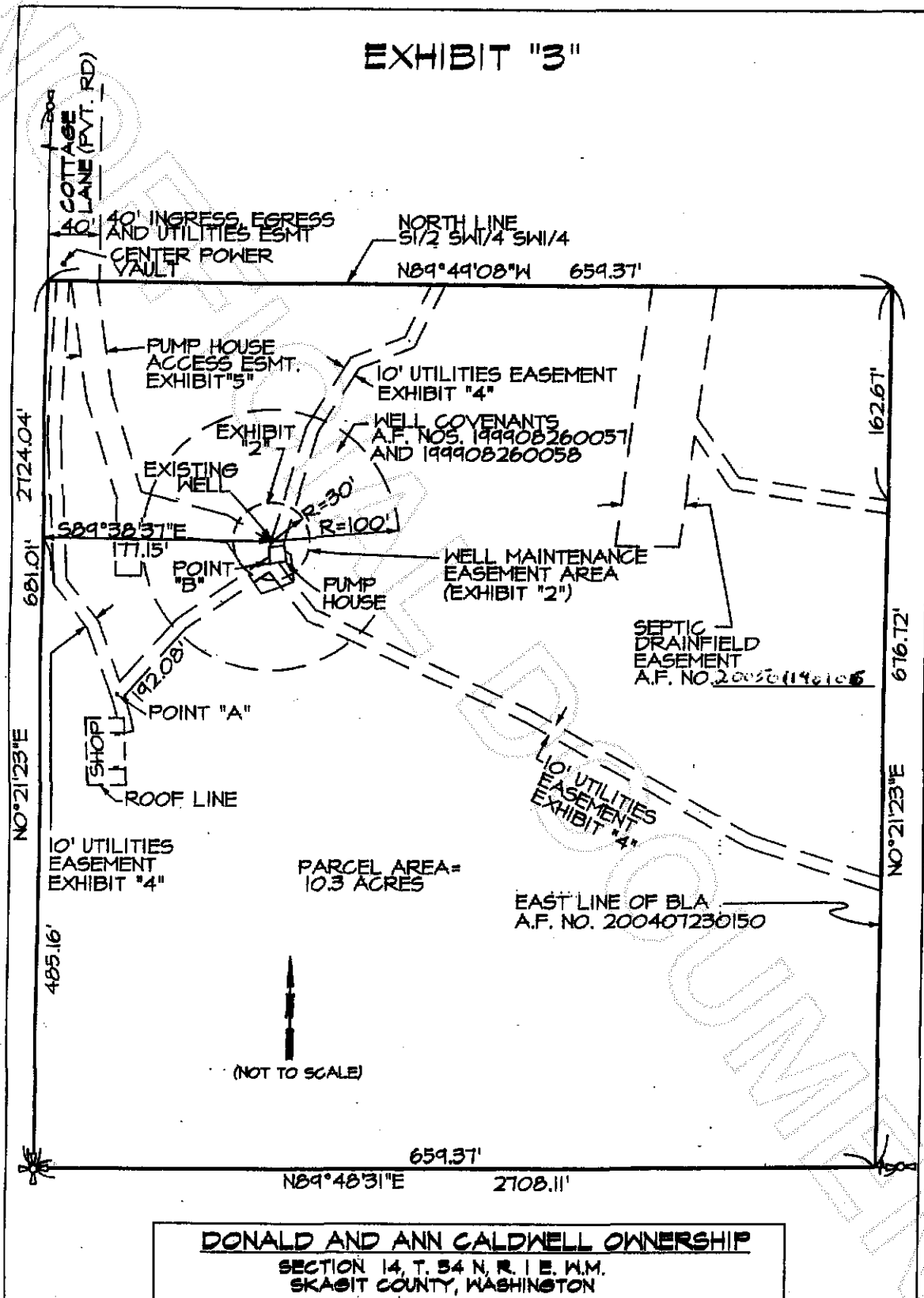
Commencing at the Southwest corner of said Southwest 1/4 of Section 14, Township 34 North, Range 1 East, W.M. (Southwest Section corner);
thence North $0^{\circ}21'23''$ East along the West line of said subdivision for a distance of 485.16 feet;
thence South $89^{\circ}38'37''$ East for a distance of 177.15 feet, more or less, to said existing well and being the center point of said easement, having a radius of 30.00 feet.

Situate in the County of Skagit, State of Washington.



200501140107
Skagit County Auditor

EXHIBIT "3"



DONALD AND ANN CALDWELL OWNERSHIP
 SECTION 14, T. 34 N., R. 1 E., W.M.,
 SKAGIT COUNTY, WASHINGTON



200501140107
 Skagit County Auditor

Exhibit 4

Utilities Easement

A 10.00 foot wide utilities easement (and the maintenance thereof) over, under and across a portion of the South 1/2 of the Southwest 1/4 of the Southwest 1/4 of Section 14, Township 34 North, Range 1 East, W.M. for service to an existing well pump house and off-site parcels, the centerline of said 10.00 foot wide easement (intending to follow the as-constructed utility lines) is to be 5.00 feet left and 5.00 feet right of the following described line:

Commencing at the Southwest corner of said Southwest 1/4 of Section 14, Township 34 North, Range 1 East, W.M. (Southwest Section corner);
thence North $0^{\circ}21'23''$ East along the West line of said Southwest 1/4 for a distance of 681.01 feet, more or less, to the Northwest corner of said South 1/2 of the Southwest 1/4 of the Southwest 1/4;
thence South $89^{\circ}49'08''$ East along the North line of said South 1/2 of the Southwest 1/4 of the Southwest 1/4 for a distance of 11.81 feet to the TRUE POINT OF BEGINNING of said line;
thence South $2^{\circ}13'45''$ West for a distance of 119.79 feet;
thence South $2^{\circ}45'24''$ East for a distance of 110.10 feet;
thence South $38^{\circ}20'40''$ East for a distance of 43.25 feet;
thence South $20^{\circ}08'20''$ East for a distance of 56.29 feet to a point hereafter referred to as Point "A";
thence from said Point "A" South $11^{\circ}41'53''$ East for a distance of 30.4 feet, more or less, to the Northeast corner of a shop building and being the terminus of said centerline;
thence continue said centerline from the above-referenced Point "A" North $41^{\circ}47'21''$ East for a distance of 74.12 feet;
thence North $54^{\circ}43'15''$ East for a distance of 81.8 feet, more or less, to the Southwest corner of a well pump house, said corner hereafter referred to as Point "B";
thence continue from said Point "B" North $17^{\circ}38'49''$ East for a distance of 107.10 feet;
thence North $32^{\circ}55'57''$ East for a distance of 60.95 feet;
thence North $69^{\circ}24'53''$ East for a distance of 45.62 feet;
thence North $26^{\circ}33'58''$ East for a distance of 48.90 feet, more or less, to said North line of the South 1/2 of the Southwest 1/4 of the Southwest 1/4 and being the terminus of said centerline;
thence continue said centerline from the above-referenced Point "B" South $39^{\circ}27'35''$ East for a distance of 51.91 feet;
thence South $65^{\circ}48'51''$ East for a distance of 188.76 feet;
thence South $61^{\circ}05'29''$ East for a distance of 199.05 feet;
thence South $71^{\circ}54'24''$ East for a distance of 107.56 feet, more or less, to the East line of that certain parcel conveyed to Donald M. Caldwell and Ann B. Caldwell, husband and wife, by Boundary Line Adjustment Quit Claim Deed



200501140107

Skagit County Auditor

recorded under Skagit County Auditor's File Number 200407230150 and being the terminus of said centerline.

EXCEPTING from the above-described easement any portion thereof lying within the above-referenced shop and well pump house buildings.

If it is found that the as-constructed utility line or lines do not conform to the above-described alignment, the as-constructed utilities shall be used to establish the centerline of said 10.00-foot wide utilities easement.

Sidelines of said 10-foot wide easement are to be lengthened or shortened as necessary to conform with ownership boundary lines.

Situate in the County of Skagit, State of Washington.



Exhibit 5

Pump House Access Easement

An easement for ingress and egress to the existing water system pump house in a portion of the South 1/2 of the Southwest 1/4 of the Southwest 1/4 of Section 14, Township 34 North, Range 1 East, W.M., being more particularly described as follows:

Commencing at the Southwest corner of said Southwest 1/4 of Section 14, Township 34 North, Range 1 East, W.M. (Southwest Section corner);
thence North 0°21'23" East along the West line of said Southwest 1/4 for a distance of 681.01 feet, more or less, to the Northwest corner of said South 1/2 of the Southwest 1/4 of the Southwest 1/4;
thence South 89°49'08" East along the North line of said South 1/2 of the Southwest 1/4 of the Southwest 1/4 for a distance of 17.89 feet to the TRUE POINT OF BEGINNING of said line;
thence South 08°57'49" East for a distance of 92.18 feet;
thence South 17°45'23" East for a distance of 77.27 feet;
thence South 00°04'24" West for a distance of 59.68 feet;
thence South 89°55'36" East for a distance of 20.00 feet;
thence North 00°04'24" East for a distance of 43.55 feet;
thence South 61°49'02" East for a distance of 29.06 feet;
thence South 85°06'43" East for a distance of 40.00 feet;
thence South 34°41'24" East for a distance of 47.72 feet;
thence North 69°50'01" East for a distance of 26.72 feet;
thence North 07°05'59" West for a distance of 21.40 feet;
thence North 59°00'25" West for a distance of 56.91 feet;
thence North 75°23'08" West for a distance of 68.97 feet;
thence North 17°45'23" West for a distance of 77.27 feet;
thence North 08°57'49" West for a distance of 87.42 feet, more or less, to said North line of the South 1/2 of the Southwest 1/4 of the Southwest 1/4 at a point bearing South 89°49'08" East from the TRUE POINT OF BEGINNING;
thence North 89°49'08" West along said North line for a distance of 20.26 feet, more or less, to the TRUE POINT OF BEGINNING.

EXCEPTING from the above-described easement any portion thereof lying within the existing well house building.

Situate in the County of Skagit, State of Washington.



200501140107
Skagit County Auditor